**GOVERNMENT OF ANDHRA PRADESH**
**ABSTRACT**

Municipal Administration & Urban Development Department – "The Andhra Pradesh (Levy and Collection of External Development Charges) Rules, 2025"– Orders - Issued.

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**MUNICIPAL ADMINISTRATION & URBAN DEVELOPMENT (M) DEPARTMENT**

**G.O.MS.No. 211** **Dated: 08-10-2025**

**Read the following:**

1. The Andhra Pradesh Agriculture Land (Conversion for Non-Agricultural purposes) (Repeal) Ordinance No. 5 of 2025, Dated: 03-09-2025
2. The Andhra Pradesh Municipal Laws (Amendment) Ordinance No. 6 of 2025, Dated: 03-09-2025.
3. E-file bearing C.No.2966116 received from the DT&CP., Mangalagiri.

## Order:

The Government of Andhra Pradesh, with an aim to promote Good Governance and enable speed of doing business has decided to repeal "The Andhra Pradesh Agricultural Land (Conversion for Non Agricultural Purposes) Act, 2006" (Act No.3 of 2006) and issued ordinance vide No. 5 of 2025.

2. Repeal of the above Act will facilitate an efficient and simplified process for land development within the framework of existing laws. Consequent to the repeal of the above Act, to facilitate smooth transition necessary amendments are made to the Andhra Pradesh Metropolitan Region and Urban Development Authorities Act, 2016; the Andhra Pradesh Capital Region Development Authority Act, 2014; the Andhra Pradesh Town Planning Act, 1920; and the Andhra Pradesh Municipalities Act, 1965; vide the Andhra Pradesh Municipal Laws (Amendment) Ordinance No. 6 of 2025, Dated:03-09-2025.

3. The Government of Andhra Pradesh issued vide Ordinance No.6 of 2025 by enacting new framework of External Development Charges (EDC) to ensure planned development, better infrastructure, and transparency in land-use conversion.

4. Therefore, after careful examination of the matter, Government hereby issue "The Andhra Pradesh (Levy and Collection of External Development Charges) Rules, 2025".

5. The following notification will be published in the Extraordinary issue of Andhra Pradesh Gazette, dt:08.10.2025.

[BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH]

**S.SURESH KUMAR**
**PRINCIPAL SECRETARY TO GOVERNMENT**

To
The Commissioner, Printing, Stationery & Store Purchase Department,

**(P.T.O)**

Vijayawada for publication of Notification in the Gazette
The Director of Municipal Administration, A.P.,Vaddeswaram, Guntur.
The Director of Town & Country Planning, A.P., Mangalagiri, Guntur.
The Commissioner, A.P. Capital Region Development Authority, Vijayawada.
The Metropolitan Commissioner, VMRDA., Visakhapatnam.
The Engineer-In-Chief (PH), A.P., Tadepalli, Guntur.
All the Commissioners of ULBs in the State
- **through** C&DMA., A.P., Vaddeswaram.
All the VC's of UDAs in the State - **through** DT&CP., A.P., Mangalagiri.
All the District Collectors in the State.
The Commissioner & Inspector General of Registration & Stamps,
A.P., Vijayawada.
The V.C & M.D., Andhra Pradesh Industrial Infrastructure Corporation Ltd.
(APIIC), Mangalagiri.
The Director of Translations, Vijayawada(with a request to translate into Telugu and re-submit)

**Copy to:**

The Revenue Department, A.P. Secretariat.
The Chief Commissioner of Land Administration, A.P., Vijayawada
The Panchayat Raj & Rural Development Department, A.P.Secretariat.
The OSD/PS to Principal Secretary to Hon'ble Chief Minister.
The O.S.D. / P.S. to Hon'ble Minister for MA&UD Department.
The P.S. to Prl.Secretary to Government, MA&UD Department.
SF/SCs.

**// FORWARDED :: BY ORDER //**

**SECTION OFFICER.**

## NOTIFICATION

In exercise of the powers conferred by Section 44 (1) read with Section 18 (A) of the Andhra Pradesh Town Planning (APTP) Act,1920, Section 18 read with Section 108 (1)(b) of Andhra Pradesh Capital Region Development Authority (APCRDA) Act, 2014 and Sections 116 to 118 read with Section 82 (1) (b) of Andhra Pradesh Metropolitan Region and Urban Development Authorities (AP MR&UDA), Act 2016 the Government of Andhra Pradesh hereby make the following rules for levy and collection of External Development Charges, namely:

1. **Short Title, Applicability and Commencement:-**
   i. These rules may be called the "Andhra Pradesh (Levy and collection of External Development Charges) Rules, 2025.
   ii. They shall be applicable to
      a. Andhra Pradesh Capital Region Development Authority [APCRDA] except in Capital City Area
      b. All Metropolitan Region Development Authorities,
      c. All Urban Development Authorities,
      d. All Municipal Corporations,
      e. All Municipalities,
      f. All Nagar Panchayats,

**Contd..3**

g. Gram Panchayat areas covered in Master Plans/General Town Planning Schemes notified under Andhra Pradesh Town Planning Act, 1920.

iii. However, these rules shall not be applicable to

a. Site/Land for which already obtained conversion permission under the Andhra Pradesh Agricultural Land (Conversion for Non-Agricultural Purposes) Act, 2006 (Act No.3 of 2006) and Receipt of payment made towards Conversion for Non-Agricultural Purposes.

b. For the site/plot registered as plot prior to 02.01.2006 [prior to "The Andhra Pradesh Agricultural Land (Conversion for Non Agricultural Purposes) Act, 2006"( Act No.3 of 2006)].

c. These rules shall come into force with effect from 03.09.2025 i.e., from the date of publication of Ordinance 6 of 2025 in the Andhra Pradesh Gazette.

2. **Definition:-** In these rules, unless the context otherwise requires:-

i. **"Act"** means the Andhra Pradesh Metropolitan Region and Urban Development Authorities (AP MR&UDA) Act, 2016, Andhra Pradesh Capital Region Development Authority Act (AP CRDA), 2014, Andhra Pradesh Town Planning Act, 1920 as subsequently amended.

ii. **"Basic value"** means the land value entered in the market value guidelines notified by Government from time to time and maintained by the Registration Department.

iii. **"Competent authority"** means the Commissioners of Urban Local Bodies (ULBs), Vice-Chairpersons of Urban Development Authorities (UDAs), Commissioner of APCRDA and the Metropolitan Commissioner of VMRDA are the competent authorities for collection of "External Development Charges" (EDC) or any other officer authorised by the Government.

iv. **"External Development Charges"** means the charges collected for conversion of Agriculture land into Non Agriculture purpose and which shall be used for laying of major trunk infrastructure such as roads, flyovers, regional parks, other city wise amenities, external facilities supporting the larger urban area etc.

v. **"Government"** means the State Government of Andhra Pradesh.

3. **Application for development permission:-**

i. Every person/ private corporate intending for Building/Layout development permission shall apply through Online module i.e., Andhra Pradesh Development permission Management System (APDPMS).

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ii. The Owner of the land/applicant, who applies for permission in Agricultural lands for obtaining development permission (Building/Layout permission), shall pay requisite "External Development Charges" along with the application through **Online portal**, by enclosing the following documents

a. Ownership documents and link documents

b. Market value certificate issued by the registration department for the proposed site area. (till the integration of portals completed)

c. FMB sketch duly showing the proposed site measurements, signed by the concerned Mandal Surveyor/Town Surveyor.

d. Affidavit stating that due to the conversion of land, no irrigation channels /water bodies / Vankas/ Cheruvu/ buffer area is affected in the said proposal and also no court cases are pending against the ownership claims.

4. The External development charges mentioned in these Rules are not applicable to the following lands

i. Lands owned by the State Government;
ii. Lands owned by a local authority and used for any community purposes so long as the land is not used for commercial purposes;
iii. Lands used for religious or charitable purposes;
iv. Lands used by owner for household industries involving traditional occupation, not exceeding one acre;
v. Lands used for such other purposes as may be notified by the Government from time to time;
vi. Lands used for Aquaculture, Dairy and Poultry.
vii. Lands allotted to the Andhra Pradesh Industrial Infrastructure Corporation (APIIC).
viii. Lands allotted to Andhra Pradesh Green Energy Corporation Ltd. (APGECL)

5. **Procedure to be followed for processing application:**

i. Soon after filing the application for development permission (Both Layout and Building Construction) in the online portal, the system scrutinize the application with reference to land classification and prohibitory lands list provided by the Revenue Department from time to time, till API/Integration is completed with APDPMS and Registration/Revenue Department.
ii. If the proposed site is falling under the prohibitory properties list, the proposal will be rejected.
iii. In case, the part of Survey number covers in prohibitory list and part of survey number is proposed for development permission and the sub-division is not made, such proposal shall be shared to the Revenue Department/NOC shall be insisted from Revenue Department.

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iv. If the application is found correct and after payment of necessary fee (External Development charges), the application will be sent to the regular scrutiny of the development permission as per prevailing rules in force.

v. After the development permission is issued, post verification will be done by the Town Planning staff as per delegations.

vi. During post verification, the concerned Town Planning officials/staff will inspect the site and ensure that no Government land involved in development permission.

vii. If applications are not disposed of within 30 working days, the application shall be "deemed approved" subject to post-verification by Town Planning officials.

viii. To block prohibitive survey numbers in APDPMS Master Data, Meta data of the list of prohibitory survey numbers shall be obtained from the Revenue Department from time to time till API/Integration is completed with APDPMS and Registration/Revenue Department, which is critical to verify land classifications, government lands, Waqf lands, water bodies, road poramboke lands, assigned lands, DKT Lands, Endowment lands, Inam lands etc.,

ix. Upon receipt of development permission, details (Building/Layout) shall be sent to Revenue Department/Web portal for Auto Mutation and updating land classification in Web land.

x. All Pending Applications:

a. All applications for conversion of agricultural land for non agricultural purposes made under the repealed Act and pending immediately before the commencement of this Ordinance shall be dealt with and disposed of in accordance with the provisions of The Andhra Pradesh Agricultural Land (Conversion for Non Agricultural Purposes) Act, 2006" (Act No.3 of 2006) as mentioned in Ordinance No. 5 of 2025, as if this Ordinance had not been promulgated.

b. Notwithstanding anything contained in the repealed Act or any rules made there under, all unauthorized layouts shall stand validly converted for non agricultural purposes under the repealed Act i.e., the Andhra Pradesh Agriculture Land (Conversion for Non-Agricultural purposes) (Repeal) Ordinance No. 5 of 2025, subject to the payment of the conversion tax on the basic value of the land that was in force during the respective period of the unauthorized layout, without the imposition of any penalty or interest. However, this provision shall remain in force for a period of one year from the date of commencement of the Andhra Pradesh Agriculture Land ( Conversion for Non-Agricultural purposes) (Repeal) Ordinance No. 5 of 2025. Nothing in this clause shall exempt or safeguard such defaulters from the initiation of proceedings under the Andhra Pradesh Revenue Recovery Act, 1864 (Act No.ll of 1864), for the recovery of the aforementioned dues.

**Contd..6**

xi. Already processed and approved applications after repealed Act, 2006 are deemed to be approved under new rules. i.e. the AP (Levy and Collection of External Development Charges) rules, 2025.

xii. All pending applications filed after repeal of the Act, 2006 to be transferred to APDPMS portal to dispose under the AP (Levy and Collection of External Development Charges) rules, 2025.

6. **Levy of Charges:**
   i. No Development permission in the State shall be granted without prior permission from the Competent authority for levying the External development charges prescribed, except Rule (4) and Rule No.1 (iii) under these Rules.
   ii. Every person who applies for development permission involving conversion of agricultural land into non-agricultural purposes shall be liable to pay External Development Charges.
   iii. The Competent Authorities shall levy External Development Charges (EDC) at the rate of 4% on the prevailing SRO value of the agriculture land, as notified by the Government from time to time, as on the date of submission of the building / layout application.
   iv. The levy of External Development Charges shall be in addition to any development charges, layout scrutiny fees, or other statutory fees/charges payable under relevant Acts and Rules.
   v. Amount already collected from 03.09.2025 by the Revenue Department shall be transferred to respective local bodies/development authorities by the Revenue Department at the ratio of 85:15.

7. **Amount levied kept in separate account:**
   i. The amount collected under these Rules shall be kept in a separate account and shall be utilized only for the specific purposes for which it is collected.
   ii. The funds collected through EDC shall be utilized by the UDA / local bodies for developing infrastructure like roads, drains, water supply, sewerage, parks and other public amenities to facilitate planned urbanization.
   iii. Devolution of external development charges among local bodies and Development Authorities will be shared at the ratio of 85 :15.

8. **Powers of Competent authority for inspection etc:-** The Competent authority or any other officer authorized by him shall have power to enter upon, inspect, measure the land and do such other act or acts as are necessary for verification of the area applied for conversion and deficit payment of conversion tax under the Act, lands prohibited for conversion and to ascertain about the title of the land duly giving advance notice to the applicant.
9. **Penalty:** Fraudulent conversions/unauthorised development shall attract penalties, including fines and legal action as prescribed under section 114 of Andhra Pradesh Capital Region Development Authority (APCRDA) Act,

2014 and section 88 of the Andhra Pradesh Metropolitan Region and Urban Development Authorities (AP MR&UDA) Act, 2016, and other relevant Acts.

10. Any person misrepresenting land use, exemptions, or valuation to evade EDC shall be liable for double the prescribed charges in addition to penalties.

11. **Power to Remove Difficulties:** If any difficulty arises in giving effect to these Rules, the Government may issue necessary clarifications, directions, or orders as deemed fit.

12. All existing Rules, Regulations, Bye laws and orders that are in conflict or inconsistent with these rules shall stand modified to the extent of the provisions of these rules.

13. **Appeal:**

i. Any applicant aggrieved by an order passed by the Competent Authority, may prefer an appeal to the following Appellate Committee within thirty days from the date of receipt of the order.

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| (a) | Commissioner and Director of Municipal Administration | Chairman |
| (b) | Director of Town & Country Planning | Member Convenor |
| (c) | Concerned Officer from Revenue Department not below the rank of RDO | Member |

ii. The appeal shall be preferred to the DTCP, who shall examine the same duly obtaining detailed remarks from the concerned Competent authority.
iii. The Competent authority shall submit the detailed remarks within 15 days.
iv. All the appeals shall be disposed off within 45 days from the date of receipt of appeal.
v. The decision of the appellate committee shall be final.

**S.SURESH KUMAR**
**PRINCIPAL SECRETARY TO GOVERNMENT**

**SECTION OFFICER**